

CHAPTER 23
PHYSICIAN LOAN PAYMENTS PROGRAM

283—23.1(261) Purpose. This chapter establishes guidelines for a state-supported loan reimbursement program for physicians who live and work in Iowa.

283—23.2(261) Definition. As used in this chapter:

“Eligible community” means a community which agrees to provide an eligible physician with a first-year income guarantee, malpractice insurance coverage for four years, family health insurance, reimbursement for moving expenses, two weeks of vacation for each of the first four years, and one week of continuing medical education per year for four years.

283—23.3(261) Recipient eligibility.

23.3(1) An eligible applicant shall be a physician licensed to practice medicine under Iowa Code chapter 148 or 150A.

23.3(2) An eligible physician shall have an outstanding student loan debt with an eligible lender under the Stafford/guaranteed student loan program, supplemental loans for students program, or have parent(s) with an outstanding debt with an eligible lender under the PLUS program from which the physician benefited.

23.3(3) The maximum annual reimbursement from state funds to an eligible physician is \$5,000 or the remainder of the physician’s and parents’ loans, whichever is less.

23.3(4) Total payments from state funds for an eligible physician are limited to a four-year period and shall not exceed a total of \$20,000.

23.3(5) Eligible applicants must agree to practice in an eligible community with fewer than 5,000 residents, or a federally designated health manpower shortage area for a minimum period of four consecutive years. If the physician fails to practice in an eligible community for a time period of less than 12 months, the individual shall not be reimbursed for payments made during that year.

23.3(6) A physician who is in default on a Stafford/guaranteed student loan, supplemental loan to students, PLUS loan, Perkins loan, Health Profession Student Loan (HPSL), Health Assistance Loan (HEAL), or who owes a repayment on any Title IV grant assistance shall be ineligible for loan payments. If a physician’s parents are in default on a loan, those loans are not eligible for reimbursement and will not be considered in the calculation of total debt for the applicant.

23.3(7) Any payment made more than 60 days after the due date is not eligible for reimbursement.

283—23.4(261) Criteria for selection of recipients.

23.4(1) Priority shall be given to eligible physicians practicing in an eligible community of fewer than 5,000 residents that is in a federally designated health manpower shortage area.

23.4(2) If funds are insufficient to repay all qualified applicants, further priority shall be provided based on the date applications are submitted to the commission. Applications shall be ranked according to the date applications are received in the offices of the commission.

283—23.5(261) Application for loan payment reimbursement.

23.5(1) Application forms shall be provided by the commission through approved medical schools. Community participation agreements and information summarizing the program will be provided by the commission to public officials of all rural communities and communities located in a health manpower shortage area.

23.5(2) Eligible students may enter into a contract with an eligible community, which has negotiated a participation agreement with the commission, at or after the time of loan origination to ensure loan repayment.

23.5(3) Eligible physicians who have entered into an agreement will receive a request for loan repayment form one year after completion of their medical training.

23.5(4) In the appropriate section of the request for loan repayment form, the state department of health must certify the employment status of the physician.

23.5(5) The eligible physician shall file the completed request for repayment by a deadline designated by the commission.

283—23.6(261) Certification required for reimbursement of loan payments.

23.6(1) After 12 months of eligible physician employment in Iowa, the state department of public health will certify that the eligible physician has been employed full-time for the entire 12-month period.

23.6(2) On the request for repayment form, the lending institution which holds the eligible physician's student loan notes or parent notes shall certify to the commission the total amount paid on principal and interest during the preceding 12-month period. The form provided by the commission for this purpose shall also include a section to report any delinquencies in loan payment. If two or more lenders are holders of the eligible loan notes, all lenders must provide certification.

283—23.7(261) Reimbursement of loan payments. Upon receipt of the necessary certifications, the commission shall reimburse the physician for eligible loan payments made during the year of employment within the limitations of the maximum amount specified by law and the funds available for the program.

These rules are intended to implement Iowa Code section 261.50.

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CHAPTER 24

Reserved

CHAPTER 25

IOWA MEDICAL TUITION LOAN PLAN

[Prior to 8/10/88, College Aid Commission, 245—Ch 3]

Rescinded IAB 10/25/95, effective 11/29/95